

Orange Countywide Oversight Board

Agenda Item No. 4d

Date: January 26, 2021

From: Successor Agency to the Costa Mesa Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving the Annual Recognized Obligation Payment Schedule for Fiscal Year 2021-22 (“ROPS FY 2021-22”)

Recommended Action:

Approve Orange Countywide Oversight Board resolution (Attachment 1) approving the ROPS FY 2021-22 (Attachment 2) for the Successor Agency to the Costa Mesa Redevelopment Agency

Discussion

The Successor Agency to the Costa Mesa Redevelopment Agency (“Successor Agency”) requests approval of its Recognized Obligation Payment Schedule (“ROPS”) and Administrative Budget for Fiscal Year 2021-22, subject to submittal to and review by the State of California, Department of Finance (“DOF”).

Under the Dissolution Law, Division 24, Parts 1.8 and 1.85 of the California Health and Safety Code (“Dissolution Law”), in particular Section 34171(h), each ROPS is "the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal year as provided in subdivision (o) of Section 34177." Under the mandatory dates in the Dissolution Law, the Successor Agency must submit a copy of ROPS, after approval from the Orange Countywide Oversight Board (“Oversight Board”), and transmittal to the County Administrative Officer (“CAO”), County Auditor Controller (“CAC”), State Controller’s Office (“SCO”), and DOF by February 1, 2021.

The attached ROPS FY 2021-22 contains the same enforceable obligations listed on the ROPS for fiscal year 2020-21. There are no new line items on the ROPS FY 2021-22; the primary funding is for:

Line Item 6. *Promissory Note Payable City/Former Agency Loan.* Under HSC 34191.4 the reinstated loan is a DOF-approved enforceable obligation for which RPTTF funds have been approved and remitted each year since reinstatement in 2014. The Successor Agency is requesting \$1,905,703 under this line item.

Line Item 37. *Administrative Costs.* Under Section 34171(b)(3), the administrative cost allowance is limited to the greater of \$250,000 per year, or three percent (3%) of the Redevelopment Property Tax Trust Fund (“RPTTF”) distributed in the prior fiscal year. However, under Section 34171(b)(4) the administrative allowance cannot exceed 50 percent (50%) of RPTTF distributed in the prior fiscal year, excluding the administrative allowance and any City/Former Agency loan repayments on the reinstated loan(s). The Successor Agency is not requesting any administrative budget for ROPS FY 2021-22 as its only enforceable obligation is the City/Former Agency loan repayment.

The Successor Agency adopted a resolution (Attachment 3) approving the ROPS FY 2021-22 at its meeting on January 19, 2021. After review and action by this Oversight Board, if approved, then Successor Agency staff will transmit ROPS FY 2021-22 to the DOF, with copies to the CAO, CAC, and SCO. Upon receipt of an oversight board-approved ROPS, DOF has 45 days to make its determination of the enforceable obligations, including amounts and funding sources. Within five business days of DOF’s determination, the Successor Agency may request additional review and an opportunity to meet and confer on disputed items.

DOF has until 15 days prior to the date for property tax distribution to make its final decision after the meet and confer.

In consideration for the ROPS FY 2021-22, the Oversight Board requests copies of the approved ROPS, Administrative Budget and DOF approval letters from the two previous years. The Successor Agency has attached the annual ROPS as approved by the oversight boards and as approved by DOF, including administrative budget, for the periods of fiscal years 2019-20 and 2020-21 (Attachments 4-7).

Impact on Taxing Entities

If approved, the Successor Agency's proposed ROPS FY 2021-22 will reduce the RPTTF distribution to all other taxing entities by \$1,905,703.

Staff Contact

Jennifer King, Assistant Finance Director, is the primary staff contact on this item and can be reached by email at jennifer.king@costamesaca.gov.

Attachments

1. Orange Countywide Oversight Board Resolution Approving ROPS FY 2021-22 A-B
2. Exhibit A: Fiscal Year 2021-22 ROPS A-B
3. Successor Agency Resolution Approving ROPS FY 2021-22 A-B
4. 2019-20 ROPS and Administrative Budget as Approved by Oversight Board
5. 2020-21 ROPS and Administrative Budget as Approved by Oversight Board
6. 2019-20 ROPS and Administrative Budget as Approved by DOF
7. 2020-21 ROPS as Approved by DOF

RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

RESOLUTION NO. _____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FY 2021-22 A-B FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2021 TO JUNE 30, 2022, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF FINANCE (DOF) PURSUANT TO DISSOLUTION LAW, AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF

WHEREAS, the former Costa Mesa Redevelopment Agency (“Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Costa Mesa (“City”); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and other subsequent legislation (together, the “Dissolution Law”); and

WHEREAS, as of February 1, 2012 the former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Costa Mesa Redevelopment Agency (“Successor Agency”) administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018, the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

WHEREAS, every oversight board, both the prior local oversight board and this newly established Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance (“DOF”); and

WHEREAS, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for Fiscal Year 2021-22 A-B for the period of July 1, 2021 to June 30, 2022 (“ROPS FY 2021-22”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2021; and

WHEREAS, the ROPS FY 2021-22, in the form required by DOF, is attached as Exhibit A and fully incorporated by this reference; and

WHEREAS, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency's ROPS FY 2021-22 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS FY 2021-22 A-B to the DOF, with copies to the County Executive Officer ("CEO"), County Auditor-Controller ("CAC"), and the State Controller's Office ("SCO") as required under the Dissolution Law.

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Oversight Board hereby approves ROPS FY 2021-22 A-B submitted therewith and incorporated by this reference.

Section 3. The Oversight Board authorizes transmittal of the ROPS FY 2021-22 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

Section 4. The City of Costa Mesa's Finance Director or authorized designee is directed to post this Resolution, including the ROPS FY 2021-22 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing. The Orange Countywide Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

Section 6. The Clerk of the Board shall certify to the adoption of this Resolution.

ATTACHMENT 2

EXHIBIT A

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

FOR FISCAL YEAR 2021-22 A-B

(attached)

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary
Filed for the July 1, 2021 through June 30, 2022 Period**

Successor Agency: Costa Mesa

County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	21-22A Total (July - December)	21-22B Total (January - June)	ROPS 21-22 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 1,905,703	\$ -	\$ 1,905,703
F RPTTF	1,905,703	-	1,905,703
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E)	\$ 1,905,703	\$ -	\$ 1,905,703

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail
July 1, 2021 through June 30, 2022

A	B	C	D	E	F	G	H	I	J	K	ROPS 21-22A (Jul - Dec)					Q	ROPS 21-22B (Jan - Jun)					W		
											Fund Sources						21-22A Total	Fund Sources					21-22B Total	
											L	M	N	O	P			R	S	T	U			V
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF				
								\$5,297,468		\$1,905,703	\$-	\$-	\$-	\$1,905,703	\$-	\$1,905,703	\$-	\$-	\$-	\$-	\$-	\$-		
6	Promissory Note Payable	City/County Loan (Prior 06/28/11), Cash exchange	09/30/1971	06/30/2024	City of Costa Mesa	Original Loan to establish RDA	Downtown	5,297,468	N	\$1,905,703	-	-	-	1,905,703	-	\$1,905,703	-	-	-	-	-	-		
37	Administrative Cost	Admin Costs	01/01/2012	06/30/2024	Not provided	Not provided	Downtown	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-		

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances
July 1, 2018 through June 30, 2019
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/18) RPTTF amount should exclude "A" period distribution amount.	8,222			519	13,221	Prior ROPS excess cash: \$621 from 15-16A; \$1050 from 15-16B; \$1,050 from 16-17B; \$7,500 from 17-18A; \$3,000 from 17-18A.
2	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller					1,211,203	AB1484 requires 20% (\$240,590.58) of loan repayment (\$1,202,953) to be transferred to Low and Moderate Income Housing Asset Fund per HSC 34191.4(s)(2)(c).
3	Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)					1,208,203	Successor Agency's FY 18/19 total expenditures and loan repayments.
4	Retention of Available Cash Balance (Actual 06/30/19) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 18-19 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC		No entry required				
6	Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$8,222	\$-	\$-	\$519	\$16,221	Prior ROPS excess cash: \$621 from 15-16A; \$1050 from 15-16B; \$1,050 from

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
	<p align="center">ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)</p>	Fund Sources					Comments
Bond Proceeds		Reserve Balance	Other Funds	RPTTF			
Bonds issued on or before 12/31/10		Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin		
							<p>16-17B; \$7,500 from 17-18A; \$3,000 from 17-18A; \$3,000 from 18-19A.</p>

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 21-22) - Notes
July 1, 2021 through June 30, 2022

Item #	Notes/Comments
6	
37	

SUCCESSOR AGENCY RESOLUTION NO. 2021-02

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FY 2021-22 FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2021 TO JUNE 30, 2022, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD AND THE STATE OF CALIFORNIA, DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85; AND, AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the former Costa Mesa Redevelopment Agency (“Former Agency”) was established as a redevelopment agency which was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Costa Mesa (“City”); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (together, as amended, the “Dissolution Law”); and

WHEREAS, as of February 1, 2012 the Former Agency was dissolved under the Dissolution Law, and as a separate public entity, the Successor Agency to the Costa Mesa Redevelopment Agency (“Successor Agency”) administers the enforceable obligations of the former Agency and otherwise dissolves the former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, under Section 34179(j) of the Dissolution Law, in every California county there shall be one oversight board that is staffed by the county’s auditor-controller; and

WHEREAS, the applicable consolidated oversight board overseeing this Successor Agency is called the Orange Countywide Oversight Board (“Oversight Board”); and

WHEREAS, every oversight board, both the prior local oversight board and the Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State of California, Department of Finance (“DOF”); and

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 21-22 A-B fiscal period of July 1, 2021 to June 30, 2022 (“ROPS FY 2021-

22”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2021; and

WHEREAS, the ROPS FY 2021-22, in the form required by DOF, is attached as Exhibit A and fully incorporated by this reference; and

WHEREAS, the Successor Agency has reviewed the ROPS FY 2021-22 and desires to approve this schedule and to authorize and direct the Successor Agency staff to transmit the ROPS FY 2021-22 to the Oversight Board, with copies to the Orange County Administrative Officer (“CAO”), Orange County Auditor-Controller (“CAC”), the State Controller’s Office (“SCO”) and DOF as required by Dissolution Law; and

WHEREAS, the Successor Agency shall post the ROPS FY 2021-22 on the City/Successor Agency website www.costamesaca.gov.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Successor Agency approves ROPS FY 2021-22 submitted herewith as Attachment 1, under the requirements of the Dissolution Law; provided however, that the ROPS FY 2021-22 is approved subject to the condition such ROPS FY 2021-22 is to be transmitted to the Oversight Board for review and approval and a copy of such ROPS FY 2021-22 shall concurrently be sent to the CAO, CAC, SCO, and DOF. Further, the Finance Director (and her authorized designee), in consultation with legal counsel, shall be authorized to request and complete meet and confer session(s), if any, with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Section 3. After approval by the Oversight Board, the Successor Agency authorizes transmittal of the approved ROPS FY 2021-22 again to the CAC, SCO and DOF.

Section 4. The Finance Director of the Successor Agency or her authorized designee is directed to post this Resolution, including the ROPS FY 2021-22, on the City/Successor Agency website (www.costamesaca.gov) under the Dissolution Law.

Section 5. The Secretary of the Successor Agency shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED THIS 19th DAY OF JANUARY 2021.




Katrina Foley, Chair
Successor Agency to the Costa Mesa
Redevelopment Agency

ATTEST:



Brenda Green, Secretary
Successor Agency to the Costa Mesa Redevelopment Agency

APPROVED AS TO FORM



Kimberly Hall Barlow,
Successor Agency Counsel

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF COSTA MESA)

I, Brenda Green, Secretary of the Successor Agency to the Costa Mesa Redevelopment Agency, hereby certify that the foregoing resolution was duly adopted by the Successor Agency at a regular meeting held on the 19th day of January 2021, and that it was so adopted by the following vote:

AYES: COUNCIL MEMBERS: CHAVEZ, GAMEROS, HARLAN, HARPER, REYNOLDS, MARR, AND FOLEY

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE



Brenda Green, Secretary
Successor Agency to the Costa Mesa Redevelopment Agency

EXHIBIT A
to Successor Agency Resolution No. 2021-02

RECOGNIZED OBLIGATION PAYMENT SCHEDULE FY 2021-22
FOR PERIOD JULY 1, 2021 TO JUNE 30, 2022


**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary
Filed for the July 1, 2021 through June 30, 2022 Period**

Successor Agency: Costa Mesa
County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	21-22A Total (July - December)	21-22B Total (January - June)	ROPS 21-22 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 1,905,703	\$ -	\$ 1,905,703
F RPTTF	1,905,703	-	1,905,703
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E)	\$ 1,905,703	\$ -	\$ 1,905,703

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Katrina Foley	Mayor
Name	Title
/s/ 	1-19-21
Signature	Date

**Costa Mesa
Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail
July 1, 2021 through June 30, 2022**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$5,297,468		\$1,905,703	\$-	\$-	\$-	\$1,905,703	\$-	\$1,905,703	\$-	\$-	\$-	\$-	\$-	\$-
6	Promissory Note Payable	City/County Loan (Prior 06/28/11), Cash exchange	09/30/1971	06/30/2024	City of Costa Mesa	Original Loan to establish RDA	Downtown	5,297,468	N	\$1,905,703	-	-	-	1,905,703	-	\$1,905,703	-	-	-	-	-	-
37	Administrative Cost	Admin Costs	01/01/2012	06/30/2024	Not provided	Not provided	Downtown	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances
July 1, 2018 through June 30, 2019
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments	
1	Beginning Available Cash Balance (Actual 07/01/18) RPTTF amount should exclude "A" period distribution amount.	8,222			519	13,221	Prior ROPS excess cash: \$621 from 15-16A; \$1050 from 15-16B; \$1,050 from 16-17B; \$7,500 from 17-18A; \$3,000 from 17-18A.	
2	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller					1,211,203	AB1484 requires 20% (\$240,590.58) of loan repayment (\$1,202,953) to be transferred to Low and Moderate Income Housing Asset Fund per HSC 34191.4(s)(2)(c).	
3	Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)					1,208,203	Successor Agency's FY 18/19 total expenditures and loan repayments.	
4	Retention of Available Cash Balance (Actual 06/30/19) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	ROPS 18-19 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC		No entry required					
6	Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$8,222	\$-	\$-	\$519	\$16,221	Prior ROPS excess cash: \$621 from 15-16A; \$1050 from 15-16B; \$1,050 from	

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments
							16-17B; \$7,500 from 17-18A; \$3,000 from 17-18A; \$3,000 from 18-19A.

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 21-22) - Notes
July 1, 2021 through June 30, 2022

Item #	Notes/Comments
6	
37	

Resolution No. 19-003

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 A-B FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2019 TO JUNE 30, 2020, INCLUDING THE FY 2019-20 ADMINISTRATIVE BUDGET INCLUDED THEREWITH, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE DOF UNDER THE CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85; AUTHORIZE POSTING AND TRANSMITTAL THEREOF; AND AUTHORIZE THE FINANCE DIRECTOR OR HER AUTHORIZED DESIGNEE, IN CONSULTATION WITH LEGAL COUNSEL, TO REQUEST AND COMPLETE MEET AND CONFER SESSION(S), IF ANY, WITH THE DOF AND MAKE AUGMENTATIONS, MODIFICATIONS, ADDITIONS OR REVISIONS AS MAY BE NECESSARY OR DIRECTED BY DOF.

WHEREAS, the former Costa Mesa Redevelopment Agency ("Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Costa Mesa ("City"); and

WHEREAS, Assembly Bill x1 26 chaptered and effective on June 27, 2011 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and other subsequent legislation (together, the "Dissolution Law"); and

WHEREAS, as of February 1, 2012 the former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Costa Mesa Redevelopment Agency ("Successor Agency") administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency's affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, pursuant to Section 34179(j) of the Dissolution Law, in every California county ~~there shall be only one oversight board that is staffed by the county's auditor-controller;~~ and

WHEREAS, as of and after July 1, 2018, the Orange Countywide Oversight Board ("Oversight Board") has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

WHEREAS, every oversight board, both the prior local oversight board and this newly established Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance (“DOF”); and

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 19-20 A-B fiscal period of July 1, 2019 to June 30, 2020 (“ROPS 19-20 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2019; and

WHEREAS, the ROPS 19-20, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 2019-20 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

WHEREAS, the Oversight Board held a regular meeting on January 22, 2019, which agenda items includes this Successor Agency’s ROPS 19-20; and

WHEREAS, the Oversight Board has reviewed and considered the Successor Agency’s ROPS 19-20 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS 19-20 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Oversight Board hereby approves ROPS 19-20 A-B submitted therewith and incorporated by this reference, including the FY 2019-20 Administrative Budget included herewith.

Section 3. The Oversight Board authorizes transmittal of the ROPS 19-20 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

Section 4. The City of Costa Mesa’s Finance Director or her authorized designee is directed to post this Resolution, including the ROPS 19-20 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

Section 6. The Clerk of the Board shall certify to the adoption of this Resolution.

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 22, 2019

YES: STEVE FRANKS, CHRIS GAARDER, STEVE JONES,
BRIAN PROBOLSKY, DEAN WEST, PHILLIP E.
YARBROUGH

NOES:
EXCUSED: CHARLES BARFIELD
ABSTAINED:

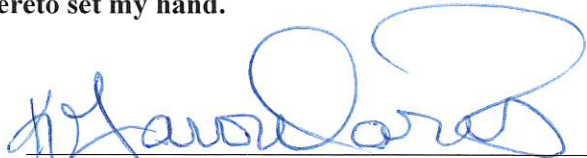


BRIAN PROBOLSKY
CHAIRMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, KATHY TAVOULARIS, Clerk of the Orange Countywide Oversight Board, Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange Countywide Oversight Board.

IN WITNESS WHEREOF, I have hereto set my hand.



KATHY TAVOULARIS
Clerk
Orange Countywide Oversight Board

Resolution No: 19-003

Agenda Date: Tuesday, January 22, 2019

Item No: 5B

ATTACHMENT 2

EXHIBIT A

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 A-B**

(attached)

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency: Costa Mesa
County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,341,008	\$ 14,987	\$ 1,355,995
F RPTTF	1,326,021	-	1,326,021
G Administrative RPTTF	14,987	14,987	29,974
H Current Period Enforceable Obligations (A+E):	\$ 1,341,008	\$ 14,987	\$ 1,355,995

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Brian Probolsky, Chairman
Name _____ Title _____
/s/ B. Probolsky _____ 1/24/19
Signature _____ Date _____

Costa Mesa Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

A Item #	B Project Name/Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K ROPS 19-20 Total	19-20A (July - December)					Q 19-20A Total	19-20B (January - June)					W 19-20B Total
											Fund Sources						Fund Sources					
											L	M	N	O	P		R	S	T	U	V	
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
4	Contract for consulting services	Fees	3/1/2011	12/31/2018	Harrell & Company Advisor	Prep Continuing Disclosure Report-	Downtown	\$ 7,671,069	N	\$ 1,355,995	\$ 0	\$ 0	\$ 0	\$ 1,326,021	\$ 14,987	\$ 1,341,008	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,987	\$ 14,987
6	Promissory Note Payable	City/County Loan (Prior 06/28/11). Cash exchange	9/30/1971	6/30/2024	City of Costa Mesa	Original Loan to establish RDA	Downtown	7,641,095	N	\$ 1,326,021				1,326,021		\$ 1,326,021						\$
37	Administrative Cost	Admin Costs	1/1/2012	6/30/2024	Not provided	Not provided	Downtown	29,974	N	\$ 29,974					14,987	\$ 14,987					14,987	\$ 14,987
52	Litigation Against DOF & County of Orange Auditor Controller	Litigation	7/1/2013	6/30/2018	Enterprise Counsel Group	Litigation against DOF & County of Orange Auditor Controller denying the RDA loan and action denying certain prior payments.	Downtown		N	\$						\$						\$
53	Housing Authority Admin Cost Allowance	Housing Entity Admin Cost Allowance	7/1/2015	10/1/2017	Costa Mesa Housing Authority	Costa Mesa Housing Authority Admin Cost Allowance	Downtown		N	\$						\$						\$
54									N	\$						\$						\$
55									N	\$						\$						\$
56									N	\$						\$						\$
57									N	\$						\$						\$
58									N	\$						\$						\$
59									N	\$						\$						\$
60									N	\$						\$						\$
61									N	\$						\$						\$
62									N	\$						\$						\$
63									N	\$						\$						\$
64									N	\$						\$						\$
65									N	\$						\$						\$
66									N	\$						\$						\$
67									N	\$						\$						\$
68									N	\$						\$						\$
69									N	\$						\$						\$
70									N	\$						\$						\$
71									N	\$						\$						\$
72									N	\$						\$						\$
73									N	\$						\$						\$
74									N	\$						\$						\$
75									N	\$						\$						\$
76									N	\$						\$						\$
77									N	\$						\$						\$
78									N	\$						\$						\$
79									N	\$						\$						\$
80									N	\$						\$						\$
81									N	\$						\$						\$
82									N	\$						\$						\$
83									N	\$						\$						\$
84									N	\$						\$						\$
85									N	\$						\$						\$
86									N	\$						\$						\$
87									N	\$						\$						\$
88									N	\$						\$						\$
89									N	\$						\$						\$
90									N	\$						\$						\$
91									N	\$						\$						\$
92									N	\$						\$						\$
93									N	\$						\$						\$
94									N	\$						\$						\$
95									N	\$						\$						\$
96									N	\$						\$						\$
97									N	\$						\$						\$
98									N	\$						\$						\$
99									N	\$						\$						\$
100									N	\$						\$						\$
101									N	\$						\$						\$
102									N	\$						\$						\$
103									N	\$						\$						\$
104									N	\$						\$						\$
105									N	\$						\$						\$
106									N	\$						\$						\$
107									N	\$						\$						\$
108									N	\$						\$						\$
109									N	\$						\$						\$
110									N	\$						\$						\$
111									N	\$						\$						\$
112									N	\$						\$						\$
113									N	\$						\$						\$
114									N	\$						\$						\$
115									N	\$						\$						\$
116									N	\$						\$						\$
117									N	\$						\$						\$
118									N	\$						\$						\$
119									N	\$						\$						\$
120									N	\$						\$						\$
121									N	\$						\$						\$
122									N	\$						\$						\$
123									N	\$						\$						\$
124									N	\$						\$						\$
125									N	\$						\$						\$
126									N	\$						\$						\$
127									N	\$						\$						\$
128									N	\$						\$						\$
129									N	\$						\$						\$

Costa Mesa Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount	704,404		0	606	1,671	Prior ROPS RPTTF: \$621- 15-16A ROPS excess cash \$1,050- 15-16B ROPS excess cash
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller	586			27	1,733,033	AB 1484 requires 20% (\$162,275) of any loan repayment to be deducted from loan repayment amount (\$696,062) and transferred to LMI-Housing Assets Fund per HSC 34191.4 (s)(2)(c).
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)	696,768			115	1,731,983	Total expenditures Successor Agency incurred in FY16-17 was \$2,428,866
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 8,222	\$ 0	\$ 0	\$ 518	\$ 2,721	\$621- 15-16A ROPS excess cash \$1,050- 15-16B ROPS excess cash \$1,050- 16-17 ROPS excess cash

ATTACHMENT 3

EXHIBIT B

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
FISCAL YEAR 2019-20 ADMINISTRATIVE BUDGET**

(attached)

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
ADMINISTRATIVE BUDGET
07/01/2019-06/30/2020**

Personnel Expenditures

<u>Department</u>	<u>Position</u>	<u>Annual Wages, Benefits, etc. *</u>	<u>Percent to Successor Agency Admin</u>	<u>Annual Personnel Costs 07/01/2019 - 06/30/2020</u>
City Manager Office	City Clerk	\$ 215,679	2%	\$ 4,314
Finance	Accounting Supervisor	181,173	2%	3,623
Finance	Assistant Finance Director	251,830	2%	5,037
Total Personnel Expenditures				12,974

Other Administrative Expenditures

<u>Department</u>	<u>Activity</u>	<u>Annual Other Costs</u>	<u>Percent to Successor Agency Admin</u>	<u>Annual Other Costs 07/01/2019- 06/30/2020</u>
Finance	Accounting/Audit Services	3,000	100%	3,000
Development Services	Legal - Stradling Yocca Carlson & Rauth	14,000	100%	14,000
Total Other Expenditures				17,000

Total Annual Administrative Budget **\$ 29,974**

* Estimated as of December 2018

Resolution No. 20-018

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO
THE COSTA MESA REDEVELOPMENT AGENCY
APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE
FY 2020-21 FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2020 TO
JUNE 30, 2021 INCLUDING THE FY 2020-21 ADMINISTRATIVE BUDGET,
SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE DOF UNDER THE
CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85;
AUTHORIZE POSTING AND TRANSMITTAL THEREOF; AND
AUTHORIZE THE FINANCE DIRECTOR OR HER AUTHORIZED
DESIGNEE, IN CONSULTATION WITH LEGAL COUNSEL, TO REQUEST
AND COMPLETE MEET AND CONFER SESSION(S), IF ANY, WITH THE
DOF AND MAKE AUGMENTATIONS, MODIFICATIONS, ADDITIONS
OR REVISIONS AS MAY BE NECESSARY OR DIRECTED BY DOF.

WHEREAS, the former Costa Mesa Redevelopment Agency (“Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Costa Mesa (“City”); and

WHEREAS, Assembly Bill x1 26 chaptered and effective on June 27, 2011 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and other subsequent legislation (together, the “Dissolution Law”); and

WHEREAS, as of February 1, 2012 the former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Costa Mesa Redevelopment Agency (“Successor Agency”) administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, pursuant to Section 34179(j) of the Dissolution Law, in every California county there shall be only one oversight board that is staffed by the county’s auditor-controller; and

WHEREAS, as of and after July 1, 2018, the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

WHEREAS, every oversight board, both the prior local oversight board and this Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance (“DOF”); and

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for Fiscal Year 2020-21 for the period of July 1, 2020 to June 30, 2021 (“ROPS FY 2020-21”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2020; and

WHEREAS, the ROPS FY 2020-21, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 2020-21 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

WHEREAS, the Oversight Board held a regular meeting on January 28, 2020, which agenda items includes this Successor Agency’s ROPS FY 2020-21; and

WHEREAS, the Oversight Board has reviewed and considered the Successor Agency’s ROPS FY 2020-21 and along with the FY 2020-21 Administrative Budget and desires to approve this schedule and to authorize and direct the Successor Agency staff to transmit the ROPS FY 2020-21 to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Oversight Board hereby approves ROPS FY 2020-21 submitted therewith as Attachment 2, along with the FY 2020-21 Administrative Budget that is included therewith, which schedule is incorporated by this reference, all under the requirements of the Dissolution Law.

Section 3. The Oversight Board authorizes transmittal of the ROPS FY 2020-21 to the DOF, with copies to the CEO, the CAC, and the SCO.

Section 4. The City of Costa Mesa’s Finance Director or her authorized designee is directed to post this Resolution, including the ROPS FY 2020-21, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s

action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

Section 6. The Clerk of the Board shall certify to the adoption of this Resolution.

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 28, 2020:

YES: CHARLES BARFIELD, CHRIS GAARDER, STEVE JONES, BRIAN PROBOLSKY, DEAN WEST

NOES:
EXCUSED: STEVE FRANKS, PHILLIP E. YARBROUGH
ABSTAINED:

BRIAN PROBOLSKY
CHAIRMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, KATHY TAVOULARIS, Clerk of the Orange Countywide Oversight Board, Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange Countywide Oversight Board.

IN WITNESS WHEREOF, I have hereto set my hand.

KATHY TAVOULARIS
Clerk
Orange Countywide Oversight Board

Resolution No: 20-018

Agenda Date: Tuesday, January 28, 2020

Item No: 7A

ATTACHMENT 2

EXHIBIT A

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR FISCAL YEAR 2020-21**

(attached)

Recognized Obligation Payment Schedule (ROPS 20-21) - Summary
Filed for the July 1, 2020 through June 30, 2021 Period

Successor Agency: Costa Mesa
County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 1,291,965	\$ 919	\$ 1,292,884
F RPTTF	1,291,045	-	1,291,045
G Administrative RPTTF	920	919	1,839
H Current Period Enforceable Obligations (A+E)	\$ 1,291,965	\$ 919	\$ 1,292,884

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Brian Probolsky, chairman
 Name Title

/s/ Brsly 1-28-2020
 Signature Date

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail
 July 1, 2020 through June 30, 2021

A Item #	B Project Name	C Obligation Type	D Agreement Execution Date	E Agreement Termination Date	F Payee	G Description	H Project Area	I Total Outstanding Obligation	J Retired	K ROPS 20-21 Total	L ROPS 20-21A (Jul - Dec)			M ROPS 20-21B (Jan - Jun)			Q 20-21A Total	R Bond Proceeds	S Fund Sources		V Admin RPTTF	W 20-21B Total	
											N Bond Proceeds	O Reserve Balance	P Other Funds	R RPTTF	T Other Funds	U RPTTF			Reserve Balance	Other Funds			
6	Promissory Note Payable	City/County Loan (Prior 06/28/11), Cash exchange	09/30/1971	06/30/2024	City of Costa Mesa	Original Loan to establish RDA	Downtown	\$6,472,998	N	\$1,292,884	\$-	\$-	\$1,291,045	\$-	\$-	\$-	\$-	\$-	\$-	\$919	\$919	\$-	
37	Administrative Cost	Admin Costs	01/01/2012	06/30/2024	Not provided	Not provided	Downtown	1,839	N	\$1,839	-	-	-	-	-	-	-	-	-	920	-	919	\$919

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances
July 1, 2017 through June 30, 2018
 (Report Amounts in Whole Dollars)

A	B						G	H	
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)								Comments
	C	D	E	F	Fund Sources				
Bond Proceeds Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Reserve Balance Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Other Funds Rent, grants, interest, etc.	RPTTF Non-Admin and Admin					
	8,222	-	-	518	2,721		Prior ROPS RPTTF \$621 ROPS 15-16A excess cash \$1,050 ROPS 15-BB excess cash \$1,050 ROPS 16-17 ROPS excess cash		
1 Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount.				1	956,562		AB 1484 requires 20% (\$139,212.40) of any loan repayment to be deducted from loan repayment amount (\$696,062) and transferred to LMI- Housing Assets Fund per HSC 34191.4 (s)(2)(c).		
2 Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller						946,062	Total expenditures Successor Agency incurred in FY17-18		
3 Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)									
4 Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)									
5 ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC									
6 Ending Actual Available Cash Balance (06/30/18)	\$8,222	\$-	\$-	\$519	\$13,221		\$621 ROPS 15-16A excess cash \$1,050		

	C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)							ROPS 15-BB excess cash \$1,050 ROPS 16-17 excess cash \$10,500 ROPS 17-18 excess cash
--	---	--	--	--	--	--	--	---

ATTACHMENT 3

EXHIBIT B

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
FISCAL YEAR 2020-21 ADMINISTRATIVE BUDGET**

(attached)

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
ADMINISTRATIVE BUDGET
07/01/2020-06/30/2021**

Personnel Expenditures

<u>Department</u>	<u>Position</u>	<u>Annual Wages, Benefits, etc.</u>		<u>Hours to Successor Agency</u>		<u>Percent to Successor Agency Admin</u>	<u>Annual Personnel Costs 07/01/2020-6/30/2021</u>	
		\$		Admin				
City Manager Office	City Clerk	261,486		3		0.14%	377	
Finance	Accounting Supervisor	186,379		5		0.24%	448	
Finance	Assistant Finance Director	263,679		8		0.38%	1,014	
Total Annual Administrative Budget								1,839



March 12, 2019

Ms. Jennifer King, Assistant Finance Director
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Dear Ms. King:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Costa Mesa Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 29, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance made the following determination:

The Agency's claimed administrative costs exceed the allowance by \$28,474. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual Redevelopment Property Tax Trust Funds (RPTTF) distributed in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$1,500 for fiscal year 2019-20.

Although \$29,974 is claimed for ACA, only \$1,500 is available pursuant to the cap. Therefore, as noted in the table below, \$28,474 in excess ACA is not allowed:

Administrative Cost Allowance Calculation	
Actual RPTTF distributed for fiscal year 2018-19	\$ 1,211,203
Less distributed Administrative RPTTF	(5,250)
Less sponsoring entity loan repayments	(1,202,953)
RPTTF distributed for 2018-19 after adjustments	3,000
ACA Cap for 2019-20 per HSC section 34171 (b)	1,500
ACA requested for 2019-20	29,974
ACA in Excess of the Cap	\$ (28,474)

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the item adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,326,470 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

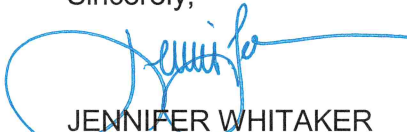
<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Nichelle Jackson, Supervisor, or Michael Painter, Analyst, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER
Program Budget Manager

cc: Ms. Kelly A. Telford, Finance Director, City of Costa Mesa
Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution			
For the period of July 1, 2019 through June 30, 2020			
	ROPS A Period	ROPS B Period	ROPS 19-20 Total
RPTTF Requested	\$ 1,326,021	\$ 0	\$ 1,326,021
Administrative RPTTF Requested	14,987	14,987	29,974
Total RPTTF Requested	1,341,008	14,987	1,355,995
RPTTF Authorized	1,326,021	0	1,326,021
Administrative RPTTF Requested	14,987	14,987	29,974
Excess Administrative Costs	(13,487)	(14,987)	(28,474)
Administrative RPTTF Authorized	1,500	0	1,500
Total RPTTF Authorized for Obligations	1,327,521	0	1,327,521
Prior Period Adjustment	(1,051)	0	(1,051)
Total RPTTF Approved for Distribution	\$ 1,326,470	\$ 0	\$ 1,326,470



Transmitted via e-mail

March 27, 2020

Jennifer King, Assistant Finance Director
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

2020-21 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Costa Mesa Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to the California Department of Finance (Finance) on January 30, 2020. Finance has completed its review of the ROPS 20-21.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- On the ROPS 20-21 form, the Agency reported cash balances and activity for the period July 1, 2017 through June 30, 2018 (ROPS 17-18). According to our review, the Agency has approximately \$8,222 from Bond Proceeds and \$2,189 Other Funds, totaling \$10,411, available to fund enforceable obligations on the ROPS 20-21. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting Redevelopment Property Tax Trust Fund (RPTTF) funds. This item does not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amount specified below:
 - Item No. 6 – Promissory Note Payable in the amount of \$1,291,045 is partially reclassified. Finance is approving RPTTF in the amount of \$1,280,634, the use of Bond Proceeds and Other Funds in the amount of \$10,411, totaling \$1,291,045.
- The claimed administrative costs exceed the allowance by \$1,839. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is zero for fiscal year 2020-21. Therefore, as noted in the table below, \$1,839 in excess ACA is not allowed:

Administrative Cost Allowance (ACA) Calculation	
Actual RPTTF distributed for fiscal year 2019-20	\$1,326,470
Less distributed Administrative RPTTF	(449)
Less sponsoring entity loan repayments	(1,326,021)
RPTTF distributed for 2019-20 after adjustments	\$0
ACA Cap for 2020-21 per HSC section 34171 (b)	\$0
ACA requested for 2020-21	\$1,839
ACA in Excess of the Cap	\$(1,839)

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 17-18 period. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF authorized in the table includes the prior period adjustment (PPA) resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,270,134, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2020 through December 31, 2020 period (ROPS A period), and one distribution for the January 1, 2021 through June 30, 2021 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 20-21 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 20-21. If the Agency disagrees with our determination with respect to any items on the ROPS 20-21, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

<http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/>

The Agency must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 20-21. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

Jennifer King
March 27, 2020
Page 3

The ROPS 20-21 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 20-21 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Anna Kyumba, Supervisor, or Thong Thao, Staff, at (916) 322-2985.

Sincerely,





JENNIFER WHITAKER
Program Budget Manager

cc: Kelly A. Telford, Finance Director, City of Costa Mesa
Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution July 2020 through June 2021			
	ROPS A	ROPS B	ROPS 20-21 Total
RPTTF Requested	\$ 1,291,045	\$ 0	\$ 1,291,045
Administrative RPTTF Requested	920	919	1,839
Total RPTTF Requested	1,291,965	919	1,292,884
RPTTF Requested	1,291,045	0	1,291,045
<u>Adjustment</u>			
Item No. 6	(10,411)	0	(10,411)
RPTTF Authorized	1,280,634	0	1,280,634
Administrative RPTTF Requested	920	919	1,839
Excess Administrative Costs	(920)	(919)	(1,839)
Administrative RPTTF Authorized	0	0	0
ROPS 17-18 prior period adjustment (PPA)	(10,500)	0	(10,500)
Total RPTTF Approved for Distribution	\$ 1,270,134	\$ 0	\$ 1,270,134